

RESIDENTIAL LEASE AGREEMENT

This Lease Agreement ("Lease") is entered by and between Name of Landlord/Owner or assignee ("Landlord") and Name of Tenant(s) ("Tenant") on Date of Lease (Date). Landlord and Tenant may collectively be referred to as the "Parties". This Lease creates joint and several liability in the case of multiple Tenants. The Parties agree as follows:

PREMISES: Landlord hereby leases the Premises located at: Address of Property, Tucson, AZ (complete address of Premises) to Tenant.

LEASE TERM: The lease will start at 5:00 PM on August 1, 201X (begin date) and will end at 8:00 AM on July 31, 201X (termination date).

LEASE PAYMENTS: Tenant agrees to pay to Landlord as rent for the Premises a total amount of \$XX for the term of this lease agreement. The total rent shall be payable via twelve (12) equal installments of \$XX per each month of the lease period. Rent is due on the first (1st) day of each month at: 2696 North Megafauna Court, Tucson, AZ 85749 (address for rent payment) or at any other address designated by Landlord. If the term of this lease does not start on the first day of the month or end on the last day of a month, the rent will be prorated. If the lease agreement is terminated for non-payment or other cause, Tenant nevertheless remains liable for the rent payments through the earlier of the termination date or when the unit is re-rented.

LATE CHARGES and INSUFFICIENT FUNDS: If full monthly installment amount due under this lease is not received by 5:00 P.M. on the fifth (5th) day of the calendar month, rent shall be deemed late. Late charges will begin at 5:00 PM on the fifth (5th) day of the month. Tenant agrees to pay a late charge of \$25 plus an additional \$5.00 per calendar day late fee until all rental charges are paid in full. Tenant agrees to pay all associated late charges plus \$35 for each check given to Landlord that is returned for lack of sufficient funds.

SECURITY DEPOSIT: At the signing of this Lease, Tenant shall deposit with Landlord, a refundable deposit of \$XX. This security deposit shall be retained to ensure Tenant's compliance with the terms and conditions of this Rental Agreement and A.R.S. §33-1341. Landlord may, at any time and in its sole discretion, draw upon the Tenant's security deposit in the interest of maintaining the dwelling unit and premises in the same condition as when rented to the Tenant, reasonable wear and tear excepted. If any portion of the security deposit is applied by Landlord, within ten (10) days of written demand, Tenant shall deposit funds to return the security deposit to its original amount. Tenant's failure to do so shall be a default under the Rental Agreement. Tenant shall not be entitled to interest on the security deposit. If the Premises are surrendered to Landlord in the same condition as it was when the Rental Agreement term commenced, reasonable wear and tear excepted, Landlord shall refund the deposit of the Tenant. However, if the Premises are not delivered to Landlord in the same condition as when taking initial occupancy, then Landlord shall expend whatever monies necessary to restore the dwelling unit and premises to said condition and deduct the amount so expended from the security deposit. If the amount expended for such restoration exceeds the security deposit, Tenant shall be liable to Landlord for any such costs. Tenant shall not use or apply any such security deposit at any time in lieu of payment of rent, however, said deposit shall be used to pay to the Landlord any rental or late charges due and unpaid at the time of termination of this agreement. If Tenant breaches any terms or conditions of this Lease, Tenant shall forfeit the deposit, as permitted by law.

CLEANING FEE: A non-refundable cleaning fee of \$XX will be paid by the Tenant to the Landlord prior to move-in. The fee shall be applied toward the expense required by the Landlord to thoroughly and professionally do a 'deep' and detailed cleaning of the Premises upon Tenant's surrender of the Premises. If the cleaning fee is

not sufficient enough to pay the full expense required to clean the Premises, Landlord reserves the right to use funds from the security deposit to pay for the remaining cleaning expenses. Trash, furniture and other miscellaneous items left upon vacating of the unit will be disposed of by Landlord at Tenant's expense.

UTILITIES AND SERVICES: Tenant will be responsible for all connection, access and ongoing monthly service expenses related to all utilities required on the Premises. This includes, but is not limited to electricity, natural gas, water, sewer, trash, security, telephone, cable and internet. The Landlord shall not be liable for loss or damages resulting from the interruption of the above mentioned utilities and services. Utilities are to remain on for the full duration of the lease. Failure to maintain utilities for any reason shall be deemed a noncompliance materially affecting health and safety.

TRASH CANS: Tenant will be responsible to adhere to all City codes and ordinances for trash pick-up. This includes, but is not limited to, pulling the containers to the curb on the evening before collection and pulling the containers back to their storage location on the evening of collection. For sanitary and health purposes, trash cans are to be emptied on a weekly basis. If trash cans are not pulled to the curb and emptied on a regular basis, Landlord reserves the right to pull the trash cans to the curb, then back to their storage location and charge Tenant a reasonable fee for doing so.

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MOVE IN AND MOVE OUT: Tenant will be given a move-in inspection form upon move in. Though not required, tenant reserves the right to be present during the move-out inspection.

DEFAULTS: If Tenant fails to perform or fulfill any obligation under this Lease, Tenant shall be in default of this Lease. Subject to any statute, ordinance or law to the contrary, Tenant shall have five (5) days from the date of notice of default by Landlord to cure the default. In the event Tenant does not cure a default, Landlord may at Landlord's option (a) cure such default and the cost of such action may be added to Tenant's financial obligations under this lease; or (b) declare Tenant in default of the Lease. In the event of default, Landlord may also, as permitted by law, re-enter the Premises and re-take possession of the Premises. Landlord may, at it's option, hold Tenant liable for any difference between the rent that would have been payable under this Lease during the balance of the unexpired term, if this Lease had continued in force and any rent paid by any successive Tenant if the Premises are re-let. In the event Landlord is unable to re-let the Premises during any remaining term of this Lease, after default by Tenant, Landlord may at its option hold Tenant liable for the balance of the unpaid rent under this Lease if this Lease had continued in force. The failure of Tenants or their guests or invitees to comply with any term of this Agreement is grounds for termination of the tenancy, with appropriate notice to Tenants and procedures as required by law.

OCCUPANTS: Tenant agrees that only those Tenants whose names appear on this lease agreement shall reside on the Premises without prior written consent of the Landlord.

SMOKING: All interior areas are designated non-smoking. Smoking is permitted outside only. Smoking includes any legal (cigarettes, cigars, etc) and/or illegal (marijuana, etc) substance. Smoking of any type, including but not limited to a vaporized inhalation process is prohibited indoors. Tenants smoking inside will be subject to additional cleaning charges.

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LEAD BASED PAINT: Housing built before 1978 may contain lead based paint. Lead from paint, chips and dust can pose health hazards. Landlord has no knowledge or records of any lead-based paint and/or lead-based

paint hazards in this residence. Federally approved lead poisoning prevention pamphlets are available for free at www.epa.gov

SMOKE DETECTORS and LIGHTING: Premises is equipped with smoke detectors. Tenant agrees to be responsible for periodically testing each smoke detector. If smoke detector is not operating properly, tenant agrees to notify owner in writing of any problems. Smoke detectors are battery operated and it is the tenant's responsibility to insure the battery is in operating condition at all times. Landlord will repair non-working light fixtures unless broken by Tenant negligence. Tenant is responsible for changing and the expense related to changing all interior and exterior light bulbs.

AIR FILTERS: Landlord will change HVAC filter monthly or as often as reasonably required. Landlord will give proper notification before entering Premises to change filter.

PETS: Tenants agree pets may not reside on the Premises, without prior written consent of the Landlord. If approved by Landlord, Tenant may keep one medium dog (25 pounds or less) and/or one cat on the Premises. Approval may be revoked at the Landlord's sole discretion upon three (3) days written notice. There is an additional \$200 non-refundable deposit due per dog and \$100 non-refundable deposit due per cat kept on the Premises. This amount represents additional security and in no way limits the use of the deposit for damage caused by Tenant's pet. Tenants will respectfully clean up their pet's waste on daily basis (NO EXCEPTIONS). Tenants who do not clean pet waste may be subject to a clean up charge. Dogs may NOT be left unattended outside the Tenant's Premises. Excessive barking will be considered a noise nuisance as addressed in the paragraph labeled 'QUIET ENJOYMENT'.

QUIET ENJOYMENT: Tenant shall be entitled to quiet enjoyment of the Premises, and Landlord will not interfere with that right, as long as Tenant pays the rent in a timely manner and performs all other obligations under this Lease. The use of profanity or the engaging in any loud or boisterous conduct that disturbs the peace and quiet enjoyment of any other Tenant shall constitute a nuisance and be a breach of this lease agreement.

ASSIGNMENT AND SUBLEASE: Tenant shall not assign or sublease any interest in this lease without prior written consent of the Landlord, which consent shall not be unreasonably withheld. Any assignment or sublease without Landlord's written prior consent shall, at Landlord's option, terminate this Lease.

POSSESSION AND SURRENDER OF PREMISES: Tenant shall be entitled to possession of the Premises on the first day of the Lease Term. At the expiration of the Lease, Tenant shall peaceably surrender the Premises to Landlord or Landlord's agent in good condition, as it was at the commencement of the Lease, reasonable wear and tear excepted. Tenant is hereby notified, pursuant to A.R.S. § 33-1321, that Tenant may choose to be present at the move-out inspection.

USE OF PREMISES: Tenant shall only use the Premises as a residence. The Premises shall not be used to carry on any type of business or trade, without prior written consent of the Landlord. Tenant will comply with all local laws, rules, ordinances, statutes and orders regarding the use of the Premises.

CONDITION OF PREMISES: Tenant or Tenant's agent has inspected the Premises, the fixtures, the grounds, building and improvements and acknowledges that the Premises are in good and acceptable condition and are habitable. Tenant shall provide Landlord immediate written notice of water leaks, mold, mold odor, or moisture accumulation.

ALTERATIONS AND IMPROVEMENTS: Tenant agrees not to make any improvements or alterations to the Premises without prior written consent of the Landlord. Hangings may be attached to the walls by any method which does not cause surface damage. Tenant agrees that no painting (NO EXCEPTIONS) will be done on or about the Premises without the prior written consent of Landlord. If any alterations, improvements or changes are made to or built on or around the Premises, with the exception of fixtures and personal property that can be removed without damage to the Premises, they shall become the property of Landlord and shall remain at the expiration of the Lease, unless otherwise agreed in writing. If the Tenant makes alterations or improvements (including painting) to the Premises, the Landlord reserves the right to return the Premises to its original move in condition at the Tenant's expense subject to the provisions of A.R.S. § 33-1369.

ANTENNAS AND SATELLITE DISHES: Outside antennas, aerials and satellite dishes are not to be attached to any part of the building or surrounding property without prior written consent of the Landlord. In the case permission is granted by the Landlord, all antennas, aerials and satellite dishes must be removed prior to move-out. If not removed, Landlord will do so at the expense of the Tenant.

DAMAGE TO PREMISES: If the Premises or part of the Premises are damaged or destroyed by fire or other casualty not due to Tenant's negligence, the rent will be abated during the time that the Premises are uninhabitable. If Landlord decides not to repair or rebuild the Premises, then this Lease shall terminate and the rent shall be prorated up to the time of the damage. Any unearned rent paid in advance shall be refunded to Tenant.

NEGLIGENCE: If the Premises or part of the Premises are damaged or destroyed by fault of the Tenant's negligence and/or the negligence caused by the Tenant's family, guests or invitees, the Tenant will be responsible to reimburse the Landlord for any damages, expenses, losses or insurance deductions suffered as a result of the negligence, carelessness, abuse or intentional conduct. Furthermore, if the Premises is deemed uninhabitable, the Tenant shall remain responsible for the payment of rent during the period in which the Premises are repaired.

APPLICABLE LAW: Tenant is responsible for any fines or penalties assessed by any governing body as a result of Tenant's violation of any of applicable laws, ordinances and regulations.

MAINTENANCE AND REPAIR: Tenant will, at Tenant's sole expense, keep and maintain the Premises in good, clean and sanitary condition and repair during the term of this Lease and any renewal thereof. Tenant shall be responsible to make all repairs to the Premises, fixtures, appliances and equipment therein and thereon that may have been damaged by Tenant's misuse, waste, or neglect, or that of the Tenant's family, agent, or visitor. Tenant shall be responsible to pay for all damage or repair expenses related to the stopping or overflow of waste pipes, bath tubs, water closets, wash basins, disposals, washing machines, dishwashers, or sinks caused by the introduction of improper objects, such as, but not limited to toys, cloth objects, feminine hygiene products, grease, hair, and other foreign matter. Tenant shall promptly notify Landlord in writing of any damage, defect or destruction of the Premises, or in the event of the failure of any of the appliances, fixtures or equipment. All damage expenditures incurred as a result of the Tenant not notifying the Landlord promptly of a problem will be the responsibility of the Tenant. Tenant specifically waives the right to make any repairs to the Premises at the expense of the Landlord. Landlord will use its best efforts to repair or replace any such damaged or defective area, appliance, fixture or equipment as provided in A.R.S. § 33-1324.

PEST CONTROL: Tenants are required to assist pest control measures by maintaining a high standard of good housekeeping. Landlord will pay to spray exterior perimeter of dwelling on an as needed basis. Tenant will be responsible for any charges for control services rendered due to Tenant's failure to comply with reasonable health and safety standards.

RIGHT OF INSPECTION: As required by A.R.S. § 33-1343, Tenant agrees to make the Premises available to Landlord or Landlord's agents for the purposes of inspection, making repairs or improvements, or to supply agreed services or show the Premises to prospective buyers or Tenants, or in case of emergency. Except in case of emergency, Landlord shall give Tenant reasonable notice of intent to enter. At all times Landlord shall be provided with a key or keys capable of unlocking all such locks and gaining entry. Tenant further agrees to notify Landlord in writing if Tenant installs any burglar alarm system, including instructions on how to disarm it in case of emergency entry.

HOLDOVER: Rent shall automatically increase forty percent (40%) on all holdover periods, shall remain valid for the duration of the holdover period and shall be collectable as Rent. This provision shall not limit the Landlord's remedies provided by A.R.S. § 33-1375. Tenant shall indemnify Landlord for all damages and expenses incurred and shall reimburse Landlord for payment of all reasonable settlements made by Landlord with third-parties (i.e. other tenants) as a result of Tenant holding over.

ABANDONMENT: Abandonment is defined as absence of the Tenant from the Premises, for at least fifteen (15) consecutive days without notice to Landlord. If Tenant abandons the Premises or any personal property during the term of this Lease, Landlord may at its option enter the Premises by any legal means without liability to Tenant. If Tenant abandons the Premises while the rent is outstanding for more than 15 days and there is no reasonable evidence, other than the presence of the Tenants' personal property, that the Tenant is occupying the unit, Landlord may at Landlord's option terminate this agreement and regain possession in the manner prescribed by law. Tenant expressly authorizes Landlord to dispose of all abandoned personal property on the Premises in any manner allowed by law. Tenant holds landlord harmless for loss of abandoned property.

EXTENDED ABSENCES: In the event Tenant will be away from the Premises for more than seven (7) consecutive days, Tenant agrees to notify Landlord in writing of such absence. During such absence, Landlord may enter the Premises at times reasonably necessary to maintain the property and inspect for damages and needed repairs.

SECURITY: Tenant understands that Landlord does not provide any security alarm system for Tenant or the Premises. If tenant chooses to add security devices to their residence, it may be done so at their own expense with Landlord's written approval. In the event any security devices, automobile gate or the like is provided, Tenant understands that such system is not warranted to be complete in all respects or to be sufficient to protect Tenant or the Premises. Tenant releases Landlord from any loss, damage, claim or injury resulting from the failure of any system, security or from the lack of any system or security. Tenant further understands in the case of any loss as a result of burglary, theft, etc, Landlord is not financially responsible for those losses.

SEVERABILITY: If any part or parts of this Lease shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect. If any provision of this Lease is deemed invalid or unenforceable by any court of competent jurisdiction, and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.

INSURANCE: Landlord and Tenant shall each be responsible to maintain appropriate insurance for their respective interests in the Premises and property located on the Premises. Tenant understands that Landlord will not provide any insurance coverage for Tenant's property. Landlord will not be responsible for any loss of Tenant's property, whether by theft, vandalism, fire, water, rain, hail, smoke, strikes, acts of God, or otherwise unless due to the negligence of the Owner and/or Landlord. Landlord strongly encourages Tenant to obtain renter's insurance or other similar coverage to protect against risk of loss.

BINDING EFFECT: The covenants and conditions contained in the Lease shall apply to and bind the parties and the heirs, legal representatives, successors and permitted assigns of the parties.

GOVERNING LAW: This Lease shall be governed by and construed in accordance with the laws of the State of Arizona. Tenant is hereby notified by Landlord of their rights which are defined by the Arizona Residential Landlord Tenant Act A.R.S. §§ 33-1301 to 33-1381. Free copies of this act are available via the Arizona Secretary of State's office by calling 602-542-4086 or emailing a request to pubs@azsos.gov.

PROPERTY MANAGEMENT: The property manager of this property is Nest Properties LLC serving through its agent, David Blair. Nest Properties LLC and David Blair are both licensed in the State of Arizona. The Landlord authorizes its property manager to serve as its representative in all matters related to the daily management of the Premises.

DISPLAY OF SIGNS: Landlord may display "For Sale" or "For Rent" or "Vacancy" or similar signs on or about the Premises and enter to show the Premises with reasonable notice to prospective Tenants at anytime during this Lease. Tenant agrees that no signs shall be placed on the Premises without the prior written consent of Landlord.

PARKING: Each tenant shall be entitled to use one parking space. Visitors may not park in parking reserved for Tenants. If Tenant or visitors receive parking tickets or have their vehicle towed for any reason, fines and related expenses will be the sole responsibility of the vehicle's owner. Parking of commercial vehicles, disabled vehicles, trailers, recreational vehicles or boats on or near the Premises is not allowed. Landlord reserves the right to tow away any vehicle in violation of the above guidelines. Landlord may elect to pay any and all towing and/or storage charges which shall then be deemed to be an additional rent due and payable on the date Landlord paid such charges. Maintenance and/or repair of vehicles is not permitted on or near the Premises, except for minor repairs to vehicles belonging to Tenant or Occupants.

KEYS: Tenant will be given X keys to the Premises. Tenant shall be charged \$50 if all keys are not returned to Landlord following termination of the Lease. Tenant agrees not to re-key, change or modify locks. Landlord does not provide lockout service. Tenants must call a locksmith and pay related fees in case of lockout.

OUTDOOR AREAS: Tenant shall not use or have any indoor furniture (i.e. couches, mattresses, pool tables, etc) outdoors. Only patio or outdoor specific furniture may be used outdoors. Patios and balconies are not to be used as storage areas or other uses. Outdoor grills may not be used on patios or balconies without Landlord's prior written approval.

WINDOW SCREENING: No aluminum foil, newspapers, blankets or any other material may be placed in dwelling windows.

DANGEROUS MATERIALS: Tenant shall not keep or have on or around the Premises any item of a dangerous, flammable or explosive character that might unreasonably increase the risk of fire or explosion on or around the Premises or that might be considered hazardous by any responsible insurance company.

INDEMNIFICATION: To the extent permitted by law, Landlord shall not be liable for and Tenant shall hold and save Landlord harmless from, any and all claims, losses, demands, or other liability whatsoever, for any damage or injury however suffered by any person or to personal property belonging to other lessees, occupants or their guests which arises or is caused by an act or omission of Tenant, Tenant's family, guests, invitees or assistive animals, if applicable. Landlord is not liable for any injury, damage, or loss to any person or property caused by any other person, including but not limited to, theft, burglary, trespass, assaults, vandalism or any other crime. Landlord does not warrant, guarantee, or insure Tenant's personal safety, nor the safety of Tenant's family, guests, invitees or their belongings. Tenant agrees Landlord shall not be responsible for any loss or damage to Tenants, Tenant's family, guests or invitees, or their belongings as a result of the criminal acts of a

third party. Landlord is not responsible for injury, damage or loss caused by storm, flood, lightning, wind or any other natural act of God.

LEGAL FEES: In the event of any legal action by the parties arising out of this Lease, the losing party shall pay the prevailing party reasonable attorneys' fees, court costs and all other related expenses. If account is referred for collection, Tenant agrees to pay collection fees up to 35% on the balance owed.

NOTICE: Any notice required or otherwise given pursuant to this Lease shall be in writing, mailed or emailed, if to Tenant, at the Premise and if to Landlord, at the address for payment of rent. Either party may change such addresses from time to time by providing notice as set forth above. Email is considered an adequate form of written communication.

WAIVER: The failure of either party to enforce any provisions of this Lease shall not be deemed a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease. The acceptance of rent by Landlord does not waive Landlord's right to enforce any provisions of this Lease.

ENTIRE AGREEMENT: This Lease constitutes the entire agreement between the parties and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified in writing and must be signed by both Landlord and Tenant.

EXECUTED this ____ day of _____, 201X

Landlord: _____

Tenant Name: _____

Tenant Signature: _____

